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MEMORANDUM FOR: Deputy Director of Central Intelligence

FROM: William W. Wells
Deputy Director for Operations

SUBJECT: PFIAB Report, "Intelligence for the Future"

1. The Report of the PFIAB on Intelligence for the Future is one of the most thoughtful and perceptive papers to be produced on the intelligence community and intelligence activities. It is practical as well as far-reaching and imaginative and comprehensive in scope, dealing with sincere concern with the most fundamental and basic problems facing intelligence today. This Directorate joins the Directorate for Intelligence and the Directorate for Science and Technology in strongly endorsing most of the Board's recommendations.

2. The section on human sources (pages 12 and 13 of the report) is on target from the point of view of this Directorate. The PFIAB takes on "the American conclusion that technology can solve most problems" and points out the need for human sources. We are particularly struck by the conclusion that "we have developed an intelligence culture which relies so heavily on technical collection that it is uncomfortable with intelligence acquired from human sources unless they confirm technically acquired information. Technical collectors are indispensable, but judgments based on the information they provide can be seriously misleading unless the data is interpreted with an understanding of the culture which created it. Human sources can provide such insight." This is borne out in our dealings with other elements of the Agency and of the intelligence community. We suggest the following wording for the DCI's letter to the President on Recommendation 7 which deals with human source collection.

Although this recommendation is broadly stated, the point made by the PFIAB is well taken. A vigorous effort to acquire more and

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better placed human sources has been underway within CIA for several years. This increased emphasis has borne significant fruit and, hopefully, the impetus will continue. The acquisition of quality human sources requires considerable manpower outlay though well justified. It is, however, difficult to explain in terms of cost effectiveness. Yet it is on this very issue of cost effectiveness that we find ourselves most vulnerable to Congressional budgetary restrictions. If this trend is not reversed, we shall be forced to devote fewer, rather than more, resources to the acquisition of human sources.

3. Another item of particular interest is the Board's listing as an important innovation to pursue "a means of seeing that which is hidden as we face increasingly sophisticated methods to conceal and deceive." The identification of efforts of adverse governments to deceive the U.S. Government on strategic defense matters is certainly of concern from more than one point of view. An argument in this area can have an effect on contrasting views of intelligence agencies. In some cases, proponents of a view on a strategic matter have identified the evidence used by opposing analysts as being deliberate deceptions on the part of a foreign government. Another facet of this problem--although probably outside the purview of the DCI to comment on--is that while remaining alert to efforts of foreign governments to deceive us about their strategic developments, the U.S. Government should be engaged in a broad and aggressive project to incorporate concealment and deception in their own strategic weapons and reconnaissance development and deployment programs.

4. The observations on security vulnerabilities and secrecy are certainly confirmed by our experience. We concur in the PFIAB endorsement of Deputy Secretary of Defense Ellsworth's suggestion "that a blue ribbon commission examine these changed values in American society with a view to determining how to restore adherence to the principles of confidential service to the government."

[Redacted Signature]
William W. Wells

cc: IC Staff
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